



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

*Not for release, publication or distribution, directly or indirectly, in or into the United States, Canada, Japan, Australia or any other jurisdiction where such action would be unlawful.*

## SAS announces revised recapitalization plan

**SAS AB (“SAS” or the “Company”) announced on 30 June 2020 a recapitalization plan to tackle the effects of the COVID-19 pandemic (the “Initial Recapitalization Plan”). Following the announcement on 7 August 2020 that SAS has reached an agreement in principle with holders of the existing hybrid notes and bonds, the Board of Directors of SAS (the “Board”) has decided to amend parts of the Initial Recapitalization Plan, including the time plan for the implementation, and has therefore approved a revised recapitalization plan (the “Revised Recapitalization Plan”). The Revised Recapitalization Plan is supported by the Company’s two largest shareholders, the governments of Sweden and Denmark (jointly the “Major Shareholders”), and the third largest shareholder, the Knut and Alice Wallenberg Foundation (“KAW”).**

As set out in SAS’ announcement on 7 August 2020, the revision of the recapitalization plan includes (a) revised conversion terms for the SAS MSEK 1,500 subordinated perpetual floating rate capital securities (the “Existing Hybrid Notes”) and (b) an amendment regarding the conversion of the SAS MSEK 2,250 senior unsecured fixed rate bond due November 2022 (the “Bonds”), now to be converted into new commercial hybrid notes or common shares at the option of the Bondholder pursuant to a separate offer to the holders of the Bonds. Holders of 53.25% of the Existing Hybrid Notes and holders of 41.51% of the Bonds have to the noteholders’ committee led by Spiltan Fonder (the “Noteholders’ Committee” or the “NHC”) expressed their support for the agreement in principle.

An additional revision of the recapitalization plan announced on 7 August 2020 is an increase of the interest rate by 90 bps per annum for the new MSEK 6,000 state hybrid notes that SAS proposes to issue to the Major Shareholders. The other components of the Initial Recapitalization Plan, including the business plan, the rights issue and the directed issue of common shares to the Major Shareholders remain unchanged as set out in the announcement on 30 June 2020. The time plan for completion of the Revised Recapitalization Plan has however been extended as further set out below.

The Revised Recapitalization Plan remains subject to necessary general meeting approvals at an extraordinary general meeting scheduled to be held on or around 22 September 2020 (the “EGM”). The Major Shareholders’ participation is conditional on *inter alia* the conversion of the outstanding Existing Hybrid Notes and Bonds as set out above, the approval by the European Commission and exemptions from the mandatory bid obligation from the Swedish Securities Council. The participation by KAW is conditional on the participation by the Major Shareholders.



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

**Conversion of the Existing Hybrid Notes and the Bonds as set out above requires approval by noteholders' meetings scheduled to be held on 2 September 2020. If the Revised Recapitalization Plan is not implemented and fails, SAS will not be able to remedy the liquidity shortage and the negative equity caused by the COVID-19 outbreak, which would have a material adverse effect on the Company's financial condition. Should SAS as a result of such material adverse effect on its financial condition be forced to file for bankruptcy, it is likely that the holders of the Existing Hybrid Notes and the Bonds will not be able to recover any of their claims under the notes.**

The NHC strongly encourages all bond and hybrid holders to support and to vote in favor of the proposals at the coming noteholders' meetings. The NHC believes that the current proposal preserves maximum value for the holders of the Bonds and the Existing Hybrid Notes whilst providing support to SAS at a difficult time for the industry due to COVID-19. Both SAS and the NHC welcome any bond or hybrid holders outside of the NHC who want to reach out to discuss the result of the negotiations and why the representatives of the NHC believe the result to be appropriate (see contact details below).

*"On behalf of the SAS Board of Directors, I would again like to thank our major shareholders, creditors and partners for their continued support in these unprecedented and challenging times. The Board supports and believes that the Revised Recapitalization Plan presents a constructive way forward given the magnitude of the recapitalization need, the complexities concerning burden sharing measures and the interests of various stakeholders. The future of SAS depends on a successful outcome of the Revised Recapitalization Plan, as well as delivery on SEK 4 billion in efficiency improvements through rightsizing the Company's cost structure to reflect a new situation of lower demand. The Board strongly encourages bond, hybrid and shareholders to vote in favor of the proposals to be presented at respective meetings, as there are no other available alternatives" says Carsten Dilling, chair of the SAS Board of Directors.*

## Details on the Revised Recapitalization Plan

### *Issue of the new state hybrid notes*

As set out in SAS' announcement on 7 August 2020, the SEK denominated capital securities with perpetual tenor (the "**New State Hybrid Notes**") to be issued to the Major Shareholders will have an interest rate which is increased by 90 bps per annum compared to the terms indicated for the New State Hybrid Notes in the Initial Recapitalization Plan, in order to comply with applicable state aid requirements. The New State Hybrid Notes will comprise:

One set of hybrid notes ("NSHN1"), which will be placed with the Major Shareholders in the total amount of MSEK 5,000, split equally between them, will have a floating interest rate of 6M STIBOR plus an initial margin of 340 bps per annum. The margin



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

of the NSHN1 notes will thereafter increase to the following: during 2nd and 3rd year 440 bps per annum, during 4th and 5th year 590 bps per annum, during 6th and 7th year 790 bps per annum, and during 8th year and thereafter 1,040 bps per annum. The NSHN1 will be subordinated capital securities and will rank pari passu with the NSHN2 (as defined below).

One set of hybrid notes (“**NSHN2**”), which will be placed with Denmark in the total amount of MSEK 1,000, will have a floating interest rate of 6M STIBOR plus an initial margin of 440 bps per annum. The margin of the NSHN2 notes will thereafter increase to the following: during 2nd and 3rd year 540 bps per annum, during 4th and 5th year 690 bps per annum, during 6th and 7th year 890 bps per annum, and during 8th year and thereafter 1,140 bps per annum. The NSHN2 will be subordinated capital securities and will rank pari passu with the NSHN1.

The New State Hybrid Notes are freely transferable but unlisted and will be callable by SAS at any time at par value, and will be treated as equity in SAS’ accounting.

#### *Conversion of the Existing Hybrid Notes into common shares*

The Swedish and Danish governments have required, as a condition to their capital injections, burden sharing measures to be implemented including conversion of the Existing Hybrid Notes. On the basis thereof, and in accordance with SAS’ announcement on 7 August 2020, the Existing Hybrid Notes are proposed to be exchanged at 90% of par value for common shares in the Company and at a subscription price of SEK 1.16 per share.<sup>1</sup> As announced on 22 July 2020, the Company will pay the deferred interest on the Existing Hybrid Notes in cash in connection with the conversion into common shares of the Existing Hybrid Notes.

Holders of 53.25% of the Existing Hybrid Notes have to the NHC expressed their support for the agreement in principle. These include all of the major holders in the NHC that SAS has negotiated with, representing 22.25% of the Existing Hybrid Notes. The Board has decided to summon a new meeting of the holders of the Existing Hybrid Notes to be held on 2 September 2020 for the purpose of resolving upon the aforementioned proposal. In order to resolve on the proposed conversion, at least 50% of the outstanding nominal amount (excluding any Existing Hybrid Notes owned by SAS or any of its subsidiaries) must participate in the meeting and at least 2/3 of the attending nominal amount (excluding any Existing Hybrid Notes owned by SAS or any of its subsidiaries) must vote in favor of the proposed exchange of the Existing Hybrid Notes. As a result of such resolution, the number of shares and votes in the Company will increase by up to 1,163,793,103.

Holders of Existing Hybrid Notes casting their vote before 26 August 2020 (the “**Early Bird Deadline**”) will receive an additional fee of 0.2% of the nominal amount of each

---

<sup>1</sup> The conversion of Existing Hybrid Notes into new common shares is expected to be completed on or around 5 November 2020. Interim shares (“**BTAs**”), which will be admitted to trading on Nasdaq Stockholm, will be delivered, upon transfer of the Existing Hybrid Notes, to the holders on or around 23 October 2020.



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

Existing Hybrid Note for which they vote, regardless of voting in favor or against the proposal. Fees will be paid within ten business days after conversion into shares and is subject to approvals of the conversion proposals from both the meeting with the holders of the Bond and the meeting with the holders of the Existing Hybrid Notes.

Further information about the notice to the meeting with the holders of the Existing Hybrid Notes can be found below.

*Conversion of the Bonds into new commercial hybrid notes or common shares*

On the basis of, and for the reasons set out above under “Conversion of the Existing Hybrid Notes into common shares” and in accordance with SAS’ press release on 7 August 2020, the Bonds are proposed to be exchanged for perpetual unsubordinated, unsecured, unguaranteed floating rate callable capital securities (the “**New Commercial Hybrid Notes**”) in the Company at 100% of par value. The New Commercial Hybrid Notes will have a floating interest rate of 6M STIBOR plus an initial margin of 340 bps per annum. The margin of the New Commercial Hybrid Notes will thereafter increase to the following: during the 2nd and 3rd year 440 bps per annum, during the 4th and 5th year 590 bps per annum, during the 6th and 7th year 1,090 bps per annum, during the 8th up to and including the 10th year 1,440 bps per annum, and during 11th year and thereafter 1,590 bps per annum. The New Commercial Hybrid Notes will be treated as equity in SAS’ accounts, will rank senior to the New State Hybrid Notes, will be freely transferable and will be callable by SAS at any time at par value.

Alternatively, and subject to approval by the extraordinary shareholders’ meeting, eligible holders of the Bonds are prior to the implementation of the proposed conversion to be presented with an offer (the “**Bondholder Offer**”), allowing holders of Bonds to subscribe for newly issued common shares in the Company at 100% of par value at a subscription price of SEK 1.16 per share by setting off the claim under their Bonds as consideration. However, the aggregate number of new common shares to be issued to holders of the Bonds under the Bondholder Offer is limited to 969,827,586 shares (corresponding to 50% of the nominal amount of the Bonds) whereby, in case of oversubscription, the allotment will be scaled down on a pro rata basis whereby any remaining claim under the Bonds not converted into common shares will be converted into New Commercial Hybrid Notes as described above. The notice period for the Bondholder Offer will run concurrently with the subscription period in the rights issue, i.e. 5 – 19 October 2020. Announcement of the outcome of the Bondholder Offer is expected to occur on 23 October 2020 and settlement in the Bondholder Offer is expected to occur on 5 November 2020.<sup>2</sup> Further details on the

---

<sup>2</sup> The conversion of Bonds into New Commercial Hybrid Notes and/or BTAs, which will be admitted to trading on Nasdaq Stockholm, for such Bonds validly tendered in the Bondholder Offer is expected to occur on or around 23 October 2020. BTAs will be converted into common shares on or around 5 November 2020.



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

Bondholder Offer will be included in the prospectus to be made public on or around 1 October 2020.

Holders of 41.51% of the Bonds have to the NHC expressed their support for the agreement in principle. These include all of the major holders in the NHC that SAS has negotiated with, representing 27.11% of the Bonds. The Board has decided to summon a new meeting of the holders of the Bonds to be held on 2 September 2020 for the purpose of resolving upon the aforementioned proposal on conversion into New Commercial Hybrid Notes. In order to resolve on the conversion of the Bonds, at least 50% of the nominal amount (excluding any Bonds owned by SAS or any of its subsidiaries) must participate in the meeting and at least 80% of the attending nominal amount (excluding any Bonds owned by SAS or any of its subsidiaries) must vote in favor of the proposed exchange of the Bonds. As a result of such resolution and the subsequent Bondholder Offer, SAS will convert MSEK 2,250 of debt to equity (in the form of New Commercial Hybrid Notes with equity accounting and, to the extent the Bondholder Offer is accepted, common shares).

Holders of Bonds casting their vote before the Early Bird Deadline on 26 August 2020 will receive an additional fee of 0.2% of the nominal amount of each Bond for which they vote, regardless of voting in favor or against the proposal. Fees will be paid within ten business days after conversion and is subject to approvals of the conversion proposals from both the meeting with the holders of the Bonds and the meeting with the holders of the Existing Hybrid Notes.

Further information about the notice to the meeting with the holders of the Bonds can be found below.

## **Summary of the Revised Recapitalization Plan**

The terms for the directed issue to the Major Shareholders and the rights issue are unchanged in relation to the Initial Recapitalization Plan. The Revised Recapitalization Plan can hence be summarized as follows.

- a) A directed issue of common shares in the amount of approximately MSEK 2,006 and at a subscription price of SEK 1.16 (the “**Directed Issue**”) to the Major Shareholders (split approximately MSEK 1,016 to the Government of Denmark and approximately MSEK 990 to the Government of Sweden in case the rights issue is fully subscribed<sup>3</sup>).
- b) A rights issue of new common shares available to eligible shareholders in an amount of approximately MSEK 3,994 and at a subscription price of SEK 1.16 (the “**Rights Issue**”), expected to be covered by subscription undertakings and underwriting commitments corresponding to 81.5% of the total amount of the Rights Issue, where approximately MSEK 2,994 is expected to be covered by pro rata subscription undertakings and underwritings commitments from the Major

---

<sup>3</sup> Split approximately MSEK 1,004 to Denmark and approximately MSEK 1,002 to Sweden in case no other shareholders would participate in the Rights Issue than the Major Shareholders and KAW.



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

Shareholders (split equally) and approximately MSEK 259 is covered by a pro rata subscription undertaking from KAW, subject to certain conditions.

- c) Directed issues of New State Hybrid Notes to the Major Shareholders, in a total amount of MSEK 6,000 as two separate instruments:
  - NSHN1 in an amount of MSEK 5,000, split equally among the Major Shareholders, with increased annual interest step-ups over the coming years as set out above; and
  - NSHN2 in an amount of MSEK 1,000, to Denmark with an additional 1% interest on top of interest rates paid on NSHN1.
- d) Conversion of the Existing Hybrid Notes at 90% of par value into common shares and at a subscription price of SEK 1.16 per share.
- e) Conversion of the Bonds at 100% of par value into (i) New Commercial Hybrid Notes with an interest step-up over the coming years as set out above, or (ii) common shares at a subscription price of SEK 1.16 per share (at the option of the Bondholder and up to the maximum number of common shares to be allotted under the Bondholder Offer).

An EGM in SAS will be held on or around 22 September 2020 to adopt the necessary resolutions under the Revised Recapitalization Plan, and any resolutions related thereto, in accordance with a convening notice to be announced no later than 20 August 2020.

Following a successful implementation of the Revised Recapitalization Plan, the Company will cancel and prepay any amount outstanding of its SEK 3.3 billion three-year revolving credit facility agreement, 90% guaranteed by the Major Shareholders, in accordance with its terms and conditions.

As set out in the press release on 30 June 2020, the Revised Recapitalization Plan aims at converting SEK 2.25 billion of debt to equity<sup>4</sup> and raise SEK 12 billion of new equity, before recapitalization costs estimated at approximately MSEK 150, and restore equity by SEK 14.25 billion. The completion of the Revised Recapitalization Plan will result in an increase in financial payments going forward, as compared to the financial payments for the Bonds and the Existing Hybrid Notes.<sup>5</sup>

As set out in the press release on 30 June 2020, in addition to the SEK 14.25 billion, an additional SEK 0.5 billion has been secured through commercial agreements with Norway, under which the Norwegian state has paid and will pay for SAS to maintain a

---

<sup>4</sup> Existing Hybrid Notes already accounted for as equity.

<sup>5</sup> Depending on the participation in the Bondholder Offer, coupon payments during the first five years after the completion of the Revised Recapitalization Plan compared with the current coupon payments on the Existing Hybrid Notes and Bonds for a five year period, would in aggregate increase by between c. SEK 0.47bn–0.75bn (from c. SEK 1.32bn of expected coupon payments on the Existing Hybrid Notes and Bonds to between c. SEK 1.79bn–2.07bn) assuming coupons are duly paid each year.



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

certain level of network capacity. In combination with the new funding outlined above, this will ensure that SAS has secured the SEK 12.5 billion of required funding.

Each of the Major Shareholders has expressed its support for the Revised Recapitalization Plan and expressed its intention to subscribe for and underwrite such number of shares and New State Hybrid Notes as set out in the press release on 30 June 2020, subject to, inter alia, the conversion of the Bonds and Existing Hybrid Notes, the approval by the European Commission and exemptions from the mandatory bid obligation from the Swedish Securities Council. Following completion of the share issues under the Revised Recapitalization Plan, the Danish and Swedish states will end up holding the same number of shares and votes in the Company.<sup>6</sup>

The third largest shareholder, KAW, has expressed its support for the Revised Recapitalization Plan and has undertaken to subscribe for its pro rata share (6.50%) of the Rights Issue, corresponding to approximately MSEK 259, subject to among other things the fulfilment of the above described subscription and underwriting commitments by the Major Shareholders.

SAS' three largest shareholders, the Major Shareholders and KAW, who in aggregate hold approximately 35.56% of outstanding shares and votes, have expressed their intent to vote in favor of the Board's proposals at the EGM subject to certain conditions.

The completion of the Revised Recapitalization Plan is subject to approval by the European Commission under applicable State aid rules. An approval decision will be subject to conditions under the COVID-19 Temporary Framework for State Aid Measures including, among others, a ban on dividends, limitations on M&A and a freeze of management remuneration. Such conditions will be released when the aid is repaid. SAS will announce the approval by press release and the conditions of the European Commission's approval decision will be further described in the prospectus to be made public on or around 1 October 2020.

#### *Shareholder structure following the Revised Recapitalization Plan*

Following a successful implementation of the Revised Recapitalization Plan,<sup>7</sup> the total number of shares and votes in the Company will increase by up to 7,306,034,482 to

---

<sup>6</sup> In a scenario where (i) the expected subscription undertakings and underwriting commitments from the Major Shareholders and KAW would be exercised in full, (ii) no other shares would be subscribed in the Rights Issue, (iii) all Existing Hybrid Notes are converted into common shares and (iv) no common shares are issued pursuant to the Bondholder Offer, the shareholdings would change significantly and result in each of the governments of Sweden and Denmark holding 2,210,760,114 shares corresponding to approximately 36.4% of the total number of shares and votes. For more information about shareholder structure after issuances of the shares, please refer to "Shareholder structure following the Revised Recapitalization Plan".

<sup>7</sup> Under the assumption of subscription of all new common shares to be issued in the Rights Issue and in the Directed Issue and the maximum number of new common shares to be issued to the holders of Existing Hybrid Notes and Bonds (i.e. that also the Bondholder Offer is fully subscribed).



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

up to 7,688,617,033 corresponding to a dilution of approximately 95%.<sup>8</sup> As a result, the shareholdings would change significantly and, in the event the Bondholder Offer and the Rights Issue will be fully subscribed and following settlement of the conversion of the Existing Hybrid Notes (as set out above), the Revised Recapitalization Plan will result in each of the Danish and Swedish states holding 1,420,462,427 shares corresponding to respective shareholdings of approximately 18.5% of the total number of shares and votes,<sup>9</sup> current holders of the Existing Hybrid Notes holding up to 1,163,793,103 shares corresponding to approximately 15.1% of the total number of shares and votes and current holders of the Bonds holding up to 969,827,586 shares corresponding to approximately 12.6% of the total of number of shares and votes in SAS.

### *Key indicative dates*

The preliminary timetable for the implementation of the Revised Recapitalization Plan has been postponed in accordance with the following:

Early Bird Deadline	26 August 2020
Meetings for holders of Bonds and Existing Hybrid Notes	2 September 2020
EGM	22 September 2020
Record date for Rights Issue	30 September 2020
Rights Issue and Bondholder Offer prospectus made public	1 October 2020
Subscription period for the shareholders in Rights Issue and for Bondholders in the Bondholder Offer	5 – 19 October 2020
Last day of trading in subscription rights in Rights Issue and of trading in the Bonds and the Existing Hybrid Notes	15 October 2020
Announcement of outcome of the Rights Issue and Bondholder Offer	23 October 2020
Conversion of Bonds to New Commercial Hybrid Notes	23 October 2020
Delivery of shares / conversion of BTAs into new common shares	5 November 2020
Delivery of New State Hybrid Notes	

### *The EGM*

The Board has decided to convene an EGM to be held on or around 22 September 2020 to resolve upon the measures under the Revised Recapitalization Plan as set out in the notice convening the meeting, which will be announced separately no later than 20 August 2020.

---

<sup>8</sup> Based on outstanding shares of 382,582,551 as of 30 June 2020 and under the assumption that both the Rights Issue and the Bondholder Offer are fully subscribed.

<sup>9</sup> In the event (i) the expected subscription undertakings and underwriting commitments from the Major Shareholders and KAW would be exercised in full, (ii) no other shares would be subscribed in the Rights Issue (iii) all Existing Hybrid Notes are converted into common shares and (iv) no common shares are issued pursuant to the Bondholder Offer, each of the governments of Sweden and Denmark would hold 2,210,760,114 shares corresponding to respective shareholdings of approximately 36.4% of the total number of shares and votes.



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

### *Summons to noteholders' meetings*

The Company has today instructed Intertrust (Sweden) AB, being the agent under the Existing Hybrid Notes (ISIN SE0012193910) and the Bonds (ISIN SE0010520338), to send notices to noteholders' meetings to all holders of the Existing Hybrid Notes and Bonds directly registered in the Company's debt ledger held with Euroclear Sweden. The purpose is to seek the respective holders' approval of the conversion of the Bonds into New Commercial Hybrid Notes (to be followed by the Bondholder Offer, subject to EGM approval) and conversion of the Existing Hybrid Notes into common shares and of the authorization of the agent to take measures on behalf of the respective holders in connection with the proposed conversion.

The notices to the noteholders' meetings and detailed information regarding the voting procedure and the requests to the holders of Existing Hybrid Notes and Bonds, will be available at the Company's webpage [www.sasgroup.net/investor-relations/recapitalization-plan](http://www.sasgroup.net/investor-relations/recapitalization-plan).

### *Presentation*

Torbjørn Wist, Executive Vice President & CFO will present and comment the Revised Recapitalization Plan at 11 a.m. CEST, Monday 17 August 2020.

The presentation will be held in English via telephone or <https://www.sasgroup.net/investor-relations/recapitalization-plan/>

No advance notification is necessary. It will be possible to ask questions to the presenters following the presentation.

Dial-in details for the conference call:

DK: +45 354 455 77 FI: +358 981 710 310 NO: +47 235 002 43 SE: +46 8 566 426 51  
UK: +44 3333 0008 04

Pin: 61434746#

### **For further information, please contact:**

SAS press office, +46 8 797 2944  
Michel Fischier, VP Investor Relations, +46 70 997 0673



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

**For more information about the agreement in principle between SAS and certain major noteholders led by Spiltan Fonder and about the exchange proposals, please contact:**

Lars Lönnquist, Spiltan Fonder, e-mail: [lars.lonnquist@spiltanfonder.se](mailto:lars.lonnquist@spiltanfonder.se)

Skandinaviska Enskilda Banken AB (publ), e-mail: [SEBLiabilityManagement@seb.se](mailto:SEBLiabilityManagement@seb.se)

Danske Bank A/S, Danmark, Sverige filial, e-mail: [dcm\\_admin@danskebank.se](mailto:dcm_admin@danskebank.se)

Swedbank AB (publ), e-mail: [syndicate@swedbank.se](mailto:syndicate@swedbank.se)

### **Advisors to the Company**

Skandinaviska Enskilda Banken AB is financial advisor to SAS, Global Coordinator and Bookrunner in connection with the recapitalization plan.

Mannheimer Swartling Advokatbyrå AB and Davis Polk & Wardwell London LLP are legal advisors to SAS.

Skandinaviska Enskilda Banken AB (publ), Danske Bank A/S, Danmark, Sverige Filial and Swedbank AB (publ) have been appointed Solicitation Agents. Danske Bank A/S, Danmark, Sverige Filial and Swedbank AB (publ) are Joint Bookrunners in the Rights Issue.

*This is information that SAS AB is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was submitted by Michel Fischier for publication on 14 August 2020 at 10:15 a.m. CEST.*

### **IMPORTANT INFORMATION**

This press release and the information herein is not for publication, release or distribution, in whole or in part, directly or indirectly, in or into the United States, Australia, Canada, Japan or South Africa or any other state or jurisdiction in which publication, release or distribution would be unlawful or where such action would require additional prospectuses, filings or other measures in addition to those required under Swedish law.

The press release is for informational purposes only and does not constitute an offer to sell or issue, or the solicitation of an offer to buy or acquire, or subscribe for, any of the securities mentioned herein (collectively, the "Securities") or any other financial instruments in SAS. Any offer in respect of any securities in connection with the Rights Issue will only be made through the prospectus that SAS expects to publish on or about 1 October 2020. The offers under the Initial Recapitalization Plan and the Revised Recapitalization Plan are not made to, and application forms will not be approved from, subscribers (including shareholders), or persons acting on behalf of subscribers, in any jurisdiction where applications for such subscription would contravene applicable laws or regulations, or would require additional prospectuses, filings, or other measures in addition to those required under Swedish law. Measures in violation of the restrictions may constitute a breach of relevant securities laws.

None of the Securities have been or will be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction in the United States, and may not be offered, pledged, sold, delivered or otherwise transferred, directly or indirectly, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements



Scandinavian Airlines

195 87 Stockholm  
Telephone: +46 8-797 0000  
Fax: +46 8-797 1515  
[www.sasgroup.net](http://www.sasgroup.net)

A STAR ALLIANCE MEMBER 

---

of the Securities Act and in compliance with applicable other securities laws. There will not be any public offering of any of the Securities in the United States.

In the United Kingdom, this press release is directed only at, and communicated only to, persons who are qualified investors within the meaning of article 2(e) of the Prospectus Regulation (2017/1129) who are (i) persons who fall within the definition of "investment professional" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), or (ii) persons who fall within article 49(2)(a) to (d) of the Order, or (iii) persons to whom it may otherwise be lawfully communicated (all such persons referred to in (i), (ii) and (iii) above together being referred to as "Relevant Persons"). This press release must not be acted on or relied on by persons in the UK who are not Relevant Persons.

This press release contains forward-looking statements that reflect SAS' current view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "estimate" and other expressions involving indications or predictions regarding future development or trends, not based on historical facts, identify forward-looking statements and reflect SAS' beliefs and expectations and involve a number of risks, uncertainties and assumptions which could cause actual events and performance to differ materially from any expected future events or performance expressed or implied by the forward-looking statement. The information contained in this press release is subject to change without notice and, except as required by applicable law, SAS does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it and nor does it intend to. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.